

The State PIRGs' Higher Education Project

September 17, 2003

Representative George Miller
House of Representatives
Washington, D.C. 20515

Dear Representative Miller:

On behalf of college students, I am writing to thank you for your introduction of the College Opportunity for All Act. At a time in which college tuitions are increasing at the most dramatic rate in nearly a decade and many families have fewer federal and state resources available to help pay for higher education, this legislation places a priority on making the dream of a college education both accessible and affordable.

We applaud your vision in restoring the purchasing power of the federal government's most important need-based student aid programs through significant authorization increases. Greater investment in need-based grant programs is the single most important factor in closing the 20-point gap that currently exists between high-income students who pursue higher education and low-income students who go on to pursue college degrees. This federal commitment to student aid will also insure that low-income students are not burdened by excessive work or borrowing in order to attain a college degree.

Specifically, we strongly support your increases to the maximum Pell Grant, which assists the neediest students in the country. Doubling the Pell Grant maximum by 2008-2009, as your legislation calls for, would take significant steps to covering a higher percentage of college costs for low-income students. We support a maximum Pell Grant that covers at least 60 percent of the costs of attendance at a four-year public institution. The maximum grant for this year will fall far short, covering only about 40 percent of these costs.

We also support your proposal for a year-round Pell Grant pilot program, which will allow low-income students greater flexibility in the options they have available for their school schedule.

Beyond increasing the federal government's investment in student aid programs, we support your proposal to end the unfair tax on student borrowing – the levying of origination fees on federal student loans. Over the course of a dependent student's college career, he can pay up to \$920 in origination fees. Eliminating these fees will give student borrowers their fully entitled loans amounts.

Finally, as more students take on escalating amounts of student loan debt to pay for school, we support your approach in recognizing that college affordability issues may begin before the first tuition bill for school is sent, but often do not end until a former student pays off the last of his federal education loans. Given that the average undergraduate borrower's debt is approaching \$20,000, we support the debt relief measures included in your legislation, including the elimination of the single lender rule, the proposal to allow students to re-consolidate, and the creation of additional loan forgiveness provisions for public service providers. We urge you to consider in future legislation additional steps to minimize the burden of student loan debt, particularly within the first several years of repayment, as this period of repayment is often most difficult for student loan borrowers.

Thank you for your continued support of students and your work to the make college more affordable.

Sincerely,

Kathryn Rube
State PIRGs' Higher Education Associate